

**Grantee: Chandler, AZ**

**Grant: B-08-MN-04-0502**

**July 1, 2012 thru September 30, 2012 Performance Report**

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**Grant Number:**

B-08-MN-04-0502

**Obligation Date:****Award Date:****Grantee Name:**

Chandler, AZ

**Contract End Date:**

03/20/2013

**Review by HUD:**

Reviewed and Approved

**Grant Amount:**

\$2,415,100.00

**Grant Status:**

Active

**QPR Contact:**

No QPR Contact Found

**Estimated PI/RL Funds:**

\$1,000,000.00

**Total Budget:**

\$3,415,100.00

**Disasters:****Declaration Number**

No Disasters Found

**Narratives****Areas of Greatest Need:**

The HUD Estimated Foreclosure Abandonment Risk Score (Risk Score) measures the estimated risk of home foreclosure and abandonment for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tract within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Distribution and and Uses of Funds:**

June 2012: Funds have been reallocated from Administration and Planning Costs to activities and projects in Eligible Use B, increasing down payment assistance and funds for acquisition, rehabilitation, resale activities. In addition, a separate activity has been established for Newtown's Housing Counseling Program. All funds remain obligated and none of the changes require public comment or a substantial amendment process.

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After analyzing foreclosure trends and code complaints, staff proposes targeting the 85225 zip code for programs using the NSP funds with the following NSP strategies:

1. Development of a Chandler Community Land Trust (CCLT). The amount of \$1,468,500 will be used to purchase, rehabilitate and sell up to 15 formerly vacant, foreclosed single-family homes to income-qualified residents. Under this program the participants will purchase only the structure, the home, and not the land. The land will remain in possession of the Land Trust and leased to the homeowner until they sell the home. When the homeowner chooses to sell the home, the lease is terminated and any appreciation in the home's value will be split between the homeowner and the Land Trust. This system will reduce the purchase costs for the participant while sharing equity and ensuring that the home will remain permanently affordable as part of the Land Trust. The families that are envisioned for these properties are between 81% and 120% of area media income (AMI), or approximately \$53,300 to \$79,900 annually for a family of four. Qualifying to purchase only the house also greatly reduces the amount of the mortgage for which these families would have to apply.
2. Creation of permanent affordable rental housing. Approximately \$655,100 will be used to purchase and rehabilitate up to six vacant, foreclosed multifamily properties and rent them to income-qualified families. This is unlike the Section 8 program in that no voucher will be required. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program. The partnering non-profit will assume responsibility for the on-going maintenance of the properties after acquisition.
3. Down Payment Assistance. Approximately \$54,500 will be used to assist qualified potential homebuyers with down payment assistance. These funds will be distributed to residents purchasing a house through the Land Trust to make the Land Trust component even more affordable. The downpayment assistance will be secured with a ten-year forgivable lien on the purchased property. The partnering non-profit will qualify, educate and monitor the new homeowners. Within the 85225 zip code, these three strategies will be targeted to Census Tracts identified by HUD as most at risk for foreclosure.
4. Administrative support &ndash No more than \$91,800 can be used for staff support of any of the programs initiated through the NSP. This can include the staff support provided by the City and the City's non-profit partners in these programs.

**Definitions and Descriptions:**

### Low Income Targeting:

While 25% of our grant amount set aside for low-income housing activities (under 50% AMI) is \$603,775, we have actually awarded \$655,100 to the Affordable Rental Movement. This is \$50,000 more than originally budgeted (\$605,100) as a result of a reallocation of NSP funds when the Downpayment Assistance activity was reduced from \$100,000 to \$50,000 as a result of a revised analysis of demand. The \$655,100 will be used to purchase and rehabilitate up to six vacant, foreclosed multifamily properties and rent them to income-qualified families. This is unlike the Section 8 program in that no voucher will be required. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program. The partnering non-profit will assume responsibility for the on-going maintenance of the properties after acquisition.

### Acquisition and Relocation:

Acquisition of approximately 15 single family homes will be acquired through our Community Land Trust Program and an additional 6 homes will be acquired through our Permanent Rental Housing program. No relocations will be performed through these activities.

### Public Comment:

In addition to the standard published comment period, a public hearing was held at the February 12, 2009 City of Chandler Council Meeting. No comments were made during the public comment period or at the public hearing.

On March 20, 2010 the City of Chandler published our Amendment I to the Substantial Amendment for a 15-day comment period. No comments were made during the public comment period.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,415,100.00
Total Budget	\$0.00	\$3,415,100.00
Total Obligated	\$0.00	\$3,271,300.00
Total Funds Drawdown	\$51,467.49	\$2,874,843.37
Program Funds Drawdown	\$15,056.27	\$2,257,802.94
Program Income Drawdown	\$36,411.22	\$617,040.43
Program Income Received	\$36,411.22	\$617,040.43
Total Funds Expended	\$42,905.17	\$2,876,358.36
Match Contributed	\$0.00	\$0.00

## Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$362,265.00	\$0.00
Limit on Admin/Planning	\$241,510.00	\$84,161.31
Limit on State Admin	\$0.00	\$84,161.31

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$603,775.00	\$655,100.00



## Overall Progress Narrative:

During the reporting period, City staff assisted Newtown by processing environmental reviews for potential property purchases in a timely manner. Staff also provided technical assistance to both Newtown and ARM as they work to expend remaining program funds. Through these efforts, two additional properties were acquired. Close of escrow and subsequent reporting of expenditures associated with these units will be reflected in the report for the period ending December 31, 2012. These should be the final acquisitions by Newtown under the NSP 1 program. In addition, two NSP1 housing units purchased by Newtown were resold to two first time homebuyers.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
09ACQ, Land Bank Acquisition	\$1,400.00	\$1,400.00	\$1,400.00
09Admin, Administration and Planning Costs	\$13,656.27	\$91,800.00	\$84,161.31
09PRH, Acquisition/Purchase and Rehabilitation	\$0.00	\$655,100.00	\$655,100.00
DPA09, Acquisition/Purchase and Rehabilitation	\$0.00	\$54,500.00	\$48,641.63
LT09, Acquisition/Purchase and Rehabilitation	\$0.00	\$2,612,300.00	\$1,468,500.00



## Activities

<b>Grantee Activity Number:</b>	<b>09ACQ</b>
<b>Activity Title:</b>	<b>Land Bank - Acquisition</b>

**Activity Category:**

Acquisition - general

**Project Number:**

09ACQ

**Projected Start Date:**

03/12/2009

**Benefit Type:**

Area ( )

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Land Bank Acquisition

**Projected End Date:**

03/12/2013

**Completed Activity Actual End Date:****Responsible Organization:**

City of Chandler

**Overall****Total Projected Budget from All Sources****Jul 1 thru Sep 30, 2012**

N/A

**To Date**

\$1,400.00

**Total Budget**

\$0.00

\$1,400.00

**Total Obligated**

\$0.00

\$1,400.00

**Total Funds Drawdown**

\$1,400.00

\$1,400.00

**Program Funds Drawdown**

\$1,400.00

\$1,400.00

**Program Income Drawdown**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Total Funds Expended**

\$0.00

\$1,400.00

**Match Contributed**

\$0.00

\$0.00

**Activity Description:**

Funds were utilized to conduct appraisals of potential properties to be acquired. Property acquisition did not proceed post-appraisal.

**Location Description:****Activity Progress Narrative:****Accomplishments Performance Measures**

No Accomplishments Performance Measures found.

## Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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<b>Grantee Activity Number:</b>	<b>09Admin</b>
<b>Activity Title:</b>	<b>Administration</b>

**Activity Category:**

Administration

**Project Number:**

09Admin

**Projected Start Date:**

03/30/2009

**Benefit Type:**

( )

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

Administration and Planning Costs

**Projected End Date:**

03/12/2013

**Completed Activity Actual End Date:**
**Responsible Organization:**

City of Chandler

**Overall**
**Total Projected Budget from All Sources**
**Jul 1 thru Sep 30, 2012**

N/A

**To Date**

\$91,800.00

**Total Budget**

\$0.00

\$91,800.00

**Total Obligated**

\$0.00

\$91,800.00

**Total Funds Drawdown**

\$13,656.27

\$84,161.31

**Program Funds Drawdown**

\$13,656.27

\$84,161.31

**Program Income Drawdown**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Total Funds Expended**

\$6,493.95

\$85,676.30

**City of Chandler**

\$6,493.95

\$85,676.30

**Match Contributed**

\$0.00

\$0.00

**Activity Description:**

No more than \$91,800 can be used for staff support of any of the programs initiated through the NSP. This can include the staff support provided by the City and the City's non-profit partners in these programs.

**Location Description:**
**Activity Progress Narrative:**

During the quarter, City staff has been working closely with Newtown to process environmental reviews for potential property purchases. Staff also is working closely with Newtown on the expenditure of the remaining Down Payment Assistance program funds still available to Newtown under NSP 1. Finally, during the quarter, staff worked closely with Affordable Rental Movement of Save the Family on their remittance of funds for previously funded administrative expense. Staff is meeting monthly with ARM to insure the timely expenditure of NSP 1 that will now be available for rehabilitation of their NSP 1 housing units to insure the funds are expended by February of 2013.

**Accomplishments Performance Measures**

No Accomplishments Performance Measures found.

**Beneficiaries Performance Measures**

No Beneficiaries Performance Measures found.

**Activity Locations**

No Activity Locations found.

**Other Funding Sources Budgeted - Detail**

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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<b>Grantee Activity Number:</b>	<b>09DPA</b>
<b>Activity Title:</b>	<b>Down-payment Assistance program</b>

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Project Number:**

DPA09

**Projected Start Date:**

07/01/2009

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Purchase and Rehabilitation

**Projected End Date:**

03/12/2013

**Completed Activity Actual End Date:**
**Responsible Organization:**

Newtown Community Development Corp.

<b>Overall</b>	<b>Jul 1 thru Sep 30, 2012</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$54,500.00
<b>Total Budget</b>	\$0.00	\$54,500.00
<b>Total Obligated</b>	\$0.00	\$54,500.00
<b>Total Funds Drawdown</b>	\$0.00	\$48,641.63
<b>Program Funds Drawdown</b>	\$0.00	\$48,641.63
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$48,641.63
City of Chandler	\$0.00	\$38,641.63
Newtown Community Development Corp.	\$0.00	\$10,000.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Approximately \$54,500 will be used to assist qualified potential homebuyers with down payment assistance. These funds will be distributed to residents purchasing a house through the Land Trust to make the Land Trust component even more affordable. The downpayment assistance will be secured with a ten-year forgivable lien on the purchased property. The partnering non-profit will qualify, educate and monitor the new homeowners. The individual receiving down payment assistance are captured in the Land Trust activity.

**Location Description:**

HUDs Estimated Foreclosure Abandonment Risk Score (Risk Score) measures the estimated risk of home foreclosure and abandonment risk for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tracts within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Activity Progress Narrative:**

The balance of unexpended funds for Newtown's DPA program is \$5,859. Newtown is processing applications of potential first time homebuyers who will be able to utilize this assistance.

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	7/0
# of Singlefamily Units	0	7/0

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	1/0	6/0	7/0	100.00
# Owner Households	0	0	0	1/0	6/0	7/0	100.00

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

<b>Grantee Activity Number:</b>	<b>09PRH</b>
<b>Activity Title:</b>	<b>Permanent Rental Housing</b>

**Activity Category:**

Acquisition - general

**Project Number:**

09PRH

**Projected Start Date:**

06/30/2009

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Purchase and Rehabilitation

**Projected End Date:**

03/12/2013

**Completed Activity Actual End Date:**
**Responsible Organization:**

ARM of Save the Family

<b>Overall</b>	<b>Jul 1 thru Sep 30, 2012</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$655,100.00
<b>Total Budget</b>	\$0.00	\$655,100.00
<b>Total Obligated</b>	\$0.00	\$655,100.00
<b>Total Funds Drawdown</b>	\$0.00	\$655,100.00
<b>Program Funds Drawdown</b>	\$0.00	\$655,100.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$655,100.00
ARM of Save the Family	\$0.00	\$0.00
City of Chandler	\$0.00	\$655,100.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Approximately \$655,100 will be used to purchase and rehabilitate up to six vacant, foreclosed single family attached properties and rent them to income-qualified families. This is unlike the Section 8 program in that no voucher will be required. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program. The partnering non-profit will assume responsibility for the on-going maintenance of the properties after acquisition.

**Location Description:**

HUDs Estimated Foreclosure Abandonment Risk Score (Risk Score) measures the estimated risk of home foreclosure and abandonment for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tract within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Activity Progress Narrative:**

In the period ending 9/30/12, the City requested the repayment of \$65,500 in administrative funds paid to ARM, due to lack of appropriate documentation. ARM will be remitting funds to the City within the second quarter and plans to then expend these funds for additional rehabilitation costs associated with their six NSP1 funded units.

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	6/6
# of buildings (non-residential)	0	0/6
# of Parcels acquired by	0	0/0
# of Parcels acquired by admin	0	0/0
# of Parcels acquired voluntarily	0	6/6
Total acquisition compensation to	0	0/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	6/6
# of Singlefamily Units	0	6/6

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Permanent Jobs Created	0	0	0	0/0	0/0	0/0	0

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	6/6	0/0	6/6	100.00
# of Persons	0	0	0	0/0	0/0	0/0	0
# Renter Households	0	0	0	6/6	0/0	6/6	100.00

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$0.00
Total Other Funding Sources	\$0.00



<b>Grantee Activity Number:</b>	<b>CLT09</b>
<b>Activity Title:</b>	<b>Community Land Trust</b>

**Activity Category:**

Acquisition - general

**Project Number:**

LT09

**Projected Start Date:**

04/30/2009

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Purchase and Rehabilitation

**Projected End Date:**

03/12/2013

**Completed Activity Actual End Date:**
**Responsible Organization:**

Newtown Community Development Corp.

**Overall**

	<b>Jul 1 thru Sep 30, 2012</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$2,612,300.00
<b>Total Budget</b>	\$0.00	\$2,612,300.00
<b>Total Obligated</b>	\$0.00	\$2,468,500.00
<b>Total Funds Drawdown</b>	\$36,411.22	\$2,085,540.43
<b>Program Funds Drawdown</b>	\$0.00	\$1,468,500.00
<b>Program Income Drawdown</b>	\$36,411.22	\$617,040.43
<b>Program Income Received</b>	\$36,411.22	\$617,040.43
<b>Total Funds Expended</b>	\$36,411.22	\$2,085,540.43
City of Chandler	\$0.00	\$1,284,877.07
Newtown Community Development Corp.	\$36,411.22	\$800,663.36
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

The amount of \$2,612,300 will be used to purchase and sell up to 17 formerly vacant, foreclosed single-family homes to income-qualified residents. This amount includes \$1,582,300 in NSP1 funds for acquisition, \$30,000 for housing counseling, and the balance is estimated Program Income. Under this program the participants will purchase only the structure, the home, and not the land. The land will remain in possession of the Land Trust and leased to the homeowners until they sell the home. When the homeowner chooses to sell the home, the lease is terminated and any appreciation in the home's value will be split between the homeowner and the Land Trust. This system will reduce the purchase costs for the participant while sharing equity and ensuring the home will remain permanently affordable as a part of the Land Trust. The families that are envisioned for these properties are between 81% and 120% of area media income (AMI), or approximately \$53,300 to \$79,900 annually for a family of four. Qualifying to purchase only the house greatly reduces the amount of the mortgage for which these families would have to apply. The Land Trust is managed by Newtown Community Development Corp. As a result of HUD direction, we created a separate subrecipient agreement with Newtown for housing counseling and one for Newtown's developer activities.

**Location Description:**

HUD's Estimated Foreclosure Abandonment Risk Score (Risk Score) measures the estimated risk of home foreclosure and abandonment risk for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tracts within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Activity Progress Narrative:**

Newtown closed on an additional property on 9/27/12. Rehabilitation of that home is now occurring. In the month of October, 2012, Newtown acquired one additional home under their Acquisition/Rehabilitation/Resale Program. This home is located in the first federally historically designated neighborhood in Chandler. It is anticipated the home will close 11/1/12 and rehabilitation will commence soon after. The expenditure of funds for these two units will expend all Newtown funds allocated for Acquisition/Rehabilitation/Resale under the NSP1 program.

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	16/17
Total acquisition compensation to	0	2/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	16/17
# of Singlefamily Units	0	16/17

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	1/2	14/10	16/17	93.75
# Owner Households	0	0	0	1/2	14/10	16/17	93.75

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	